

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 3759 – HB 3778

March 20, 2012

SUMMARY OF AMENDMENT (014345): Delegates to the Tennessee Local Development Authority (TLDA), the authority to allocate the state's portion of the national Qualified Energy Conservation Bond (QECB). Authorizes TLDA to make allocations from a list of recommendations submitted by the Department of Economic and Community Development (ECD). Requires ECD to consider state and local government projects when developing recommendations. Requires ECD to serve as the coordinator of the newly-created QECB Board. Authorizes TLDA to issue its negotiable bonds for a qualified energy conservation project as a capital project if the Commissioner of ECD certifies that such project complies with a QECB program developed by ECD. Requires the effective rate of interest on any such bond be determined by reducing the interest payable by TLDA at the time of bond issuance by the amount of payments expected from the United States Treasury Department.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- According to ECD, the state was awarded \$64,476,000 in QECB's. However, pursuant to Tenn. Code Ann. § 4-31-119, no entity is currently authorized to issue such bonds on behalf of the state.
- This bill will authorize ECD to issue the bonds. Because the state has already been awarded the bonds, the impact is not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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